

SBBi:
Socially Beneficial Basic Income

By William Stewart
2018-04-10

“It turns out work is not just about finances, but it is about dignity and feeling like you got a place in the world.” – Barack Obama

Very little about human nature has changed, but almost everything about our environment has changed. In this lies our great promise and peril.

Humans are built to survive, with contradictory impulses pulling us to both cooperate with and take advantage of each other. We cooperate as long as we feel safe. But when insecure, we put ourselves first. Today, the sphere of cooperation for most people is decreasing, and the field of competition is growing. Increasingly, we get what we can, distrust those we don't know or understand, and withdraw into smaller and more distant groups. Everyone feels surrounded by “the other”. And it's soon going to get much worse.

Since the 1970's, after a brief phase of widespread Western prosperity after the unprecedented investments of World War II, our win-lose economic model has been hollowing out society. Incomes have stagnated or dropped, and employment has moved from full-time production to part-time services. Only massive deficit spending has kept us afloat. The US debt is now greater than 20 trillion dollars. Almost every western country is one economic shock away from being unable to service their debt. As are many individuals and households.

And now we are entering the next stage, with technology increasingly automating the service economy, and artificial intelligence beginning to automate even the intellectual economy. With an ever-shrinking pie, the centrifugal forces are accelerating. The worst instincts of humans in survival mode are coming to the fore. Across the globe, societies are fracturing. The signs of social and political unrest that we have seen slowly spreading since the 2008 financial crash foreshadow our future – our civilization coming apart.

Everyone knows this, feels it viscerally, across the generations. It is the common thread uniting the core supporters of both Donald Trump and Bernie Sanders. Both the young and the old are increasingly distressed. There is a direct link from this spreading despair to the opioid epidemic and increasing suicide rate. Except for an increasingly shrinking minority, the jobs that are available are precarious, low paid, and insufficient to raise a family or lead a dignified retirement. And underneath it all, automation and AI continue their relentless march, hollowing out the security of the jobs that remain. The warning signs are clear. Civilizations are

not guaranteed success, or even survival. Many civilizations have collapsed. Ours could collapse. And right now, that is the road we are sleep-walking further and further down.

Unless we do something. And the natural solution gaining mind-share is a basic income (BI). Since the conservative economist Milton Friedman proposed a “negative income tax” in the 1960’s, economists have known that providing monetary stimulus at the bottom end, to individuals, is at least as effective as providing it at the top end, such as the \$4 trillion so far provided by the US Federal Reserve to banks and corporations since the 2008 financial crisis. The question is one of implementation, with BI pilots being explored at modest levels in jurisdictions around the world. These are promising, showing they reduce stress and encourage self betterment. However, the critical success requirement is this: to be widely implemented at the truly meaningful financial levels we will need, sufficient to raise a family and lead a dignified retirement, basic income must be supported by all sides of the political spectrum.

Which is why BI should be paired with societal giveback. If we simply accept the fairness of BI recipients giving back to society, at perhaps only 24 hours a week, we can quickly break the political logjam and make a basic income possible at a truly meaningful financial level, say \$75K a year. And even more importantly, it will make the achievement worthwhile. The economist Larry Summers captured the need well in 2015: *“In our society, whether it is taking care of the young or taking care of the old, or repairing a lot that needs to be repaired, there is a huge amount of very valuable work that needs to be done. It’s much less clear there’s a viable business model for getting it done. That suggests important roles for public policy.”* Exactly.

Bill Gross, one-time manager of the world’s largest bond fund, echoed the sentiment in 2016, saying we need a *“Kennedyesque AmeriCorps that puts people to work helping other people”*. Bill Gates said the same in 2017: *“What the world wants is to take this opportunity to... free up labor, to let us do a better job of reaching out to the elderly, having smaller class size, helping kids with special needs.”* And Barack Obama expressed the same view in his last interview as US President, saying that Democrats *“are going to have to start thinking about where do jobs come from and how much government involvement is there in the marketplace. Do we have a job-sharing economy that works so that everybody has work? Because it turns out work is not just about finances, but it is about dignity and feeling like you got a place in the world.”*

So the opportunity is clear. We can make BI happen, to the benefit of both individuals and society, by pairing it with societal give back, giving back through a wide range of socially meaningful and enjoyable jobs, making it acceptable across the political spectrum and actually implementable.

However, this will require unconditional BI (UBI) supporters to compromise. The results of decades of failed attempts to get UBI implemented are clear: the political reality is that a majority of our citizenry will never accept what appears to be “free money for nothing”. The verdict is in. It is far past time to try a different approach, and accept that broad based political acceptance of BI at a meaningful level, sufficient to raise a family and have a dignified retirement, will only be achievable if it is seen to be fair: paired with an obligation to give back

to society. This is fundamental human nature, at root a deep desire for fairness, a passion to ensure the few do not take food from the many without giving back. Year after year, poll after poll, this political reality is confirmed, and transformative BI remains but a dream. We can absolutely obtain BI, but only when we accept that we will never get broad based political support for a system where some people work and others do not.

On the other hand, paired with a requirement for societal give back, a win-win solution is achieved. The political centre is found. The one idea which left and right say they agree on is “community”. A socially beneficial BI (SBBI) with a requirement to give back to society in some way, starting with contributions to health, education, and the environment, for a modest number of hours a week, would likely find support of 70% or greater quickly within reach.

So, political viability is why adding jobs to BI is necessary, but it is not the animating reason. The more important reason is the need for human capital where currently there is nowhere near enough. Our world has so much work that needs to be done, just starting with health, education, and the environment, and no current way to fund it. Consider just two requirements among hundreds. We will never be able to improve the tragic final years of so many of our elderly who end in deep depression in senior home warehouses unless we marshal a much larger application of resources, starting with people. Let some of the SBBI jobs be playing guitar in senior homes. And we will not be able to make the rapidly emerging life-transforming advances in genetic health care available to anyone but the very wealthiest without huge investment of resources, starting with people.

Hundreds of other serious, urgent, unfunded needs can easily be added to the list. Our planet faces many high impact risks for which we have no robust solution, from global warming to asteroid impacts to volcanic eruptions to solar pulses that could destroy our electrical systems. The very, very few planetary civilizations that make it don't survive by just hoping they will stay lucky. Our civilization is running fast, blind, and over-extended, speeding down the highway at night with the lights off, hoping we don't crash. The time to start growing up, and to put care, protection, and promotion of human civilization, as an incalculably rare and valuable achievement, is now, while there is still time. Socially beneficial BI provides the way to do so.

Indeed, socially beneficial BI is a rare win-win-win: it provides the financial safety net humanity needs to have a universally healthy society, it solves the job destroying challenge of automation and AI, and it provides a way to get so much unfunded critically important work done. Without very large investments, starting with people, our biggest problems will not get solved. If we do not leverage BI as the solution to provide human capital to meet these neglected needs, another solution is unlikely to arise in time. The clock is ticking. We need to start building the organizations, systems, and processes to bridge the complementary surpluses of people and work, and provide the skills assessment, education, training, and job matching to meet both individual and societal needs. We can find a way to provide a fulfilling, meaningful role for everyone within the great diversity of the human family. We have more than enough expertise, and technology can help, including AI. We can quickly move to a world where there are more jobs than we have people, and give everyone a wide choice of how they wish to contribute.

And then consider a huge benefit: when no-one is afraid of being without income, everyone will be incentivized to automate as much of their work as possible and make everything even more efficient to enable transfer of scarce human resources to other high demand needs. If we can ever get to the point where we have largely solved most of our challenges in health, education, the environment, and other critical needs, then we can start steadily reducing the SBBI work week down from 24 hours to 20, to 10, to 2, and increasingly turn almost all our time to the arts, sciences, recreation, and exploring the fulfillment of our human destiny, whatever we each envision that to be.

Without jobs, BI is just another subsistence economic insecurity program, at best replacing existing programs, merely alleviating the worst levels of poverty and stress. But when we add giveback, SBBI enables us to increase the financial support to a meaningful level, sufficient to raise a family and lead a dignified retirement, and help solve our problems and move humanity to the next level at the same time. Socially beneficial BI provides us with an opportunity to take the next step in our evolution as a civilization, if we are willing to take it.

Humanity is a team, we just don't know it or act like it yet. The hard truth is that on a very small planet, in a very large and cold universe, unless we find a way to realize we are on one team, our prospects are not promising. SBBI offer us the opportunity to finally become one team. And then, when we can move humanity past the tipping point of insecurity to security, our selfish instincts will be dampened, and the best of human nature will increasingly be able to emerge. This is the promise on the other side of our current peril. When society is no longer trapped in a win-lose competition, when humanity has the mental space to look outwards more than inwards, then the golden age of our civilization can finally begin.

Humanity has already done some amazing things. But we haven't seen anything yet. When we finally move our civilization's consciousness out of the jungle in which it is still trapped, from Darwinian competition to mutual cooperation, then our potential will become truly unlimited.

Basic income is a transformative solution that technological progress is increasingly making necessary. But it's only politically viable and genuinely worthwhile if society benefits as well as individuals. When we add societal give back to the mix, SBBI at a genuinely meaningful level becomes politically feasible, practically implementable, and will finally free humanity to finally start building the truly great civilization we have always been destined to create.

This moment in history looks like a crisis. The risks are large. But if we confront the future as one team, it can be our greatest opportunity. We should grasp it, while there is still time.
